



ESTADO LIBRE ASOCIADO DE  
**P U E R T O   R I C O**  
Compañía de Fomento Industrial

September 11, 2015

**VIA CERTIFIED MAIL AND E-MAIL**

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**Re: San German Groundwater Contamination Superfund Site (OU-1),  
San German, Puerto Rico. Superfund Program Proposed Plan**

Dear Mr. Bosque:

The comments contained in this letter are submitted to the U.S. Environmental Protection Agency ("EPA") on behalf of the Puerto Rico Industrial Development Company ("PRIDCO"), regarding the Proposed Plan ("the Plan") prepared by EPA which identifies EPA's Preferred Alternative for cleaning up what the Plan describes as the contaminated soils and shallow groundwater which act as source areas at the San German Groundwater Contamination Superfund Site (the "Site"). The comments follow the Public Meeting held by EPA on August 19, 2015 in San German. They are timely submitted within the Public Comment Period, which ends on September 11, 2015

PRIDCO has reviewed the Plan and has gathered information concerning the Site. PRIDCO provided EPA with information regarding the Site on May 22, 2015 in response to a meeting held with EPA on April 8, 2015. Also, on July 9, 2015, PRIDCO provided all the information regarding the Site gathered at that time. In both letters PRIDCO has discussed the issues involved in EPA's

assertion of PRIDCO's status as a potentially responsible party ("PRP") at the Site.

PRIDCO expressly incorporates by reference into this letter both of the two letters mentioned in the foregoing paragraph as well as the attachments and annexes to both such letters. Consequently, PRIDCO will not repeat here any of the arguments presented in those letters, including, but not limited to, arguments relating to the assertion that PRIDCO is a PRP at the Site and PRIDCO's responses to such assertion, except as follows:

As established in the above-cited letters, we believe that PRIDCO is entitled to the security interest exemption as set forth in section 101 (201) (A) of CERCLA, creating an exemption to the term "owner or operator" for any person who, without participating in the management of a vessel or facility, holds indicia of ownership primarily to protect its security interest in the vessel or facility.

As EPA is aware, PRIDCO was established as a public corporation and a governmental instrumentality of the Commonwealth of Puerto Rico for the purpose of promoting the development of the economy of Puerto Rico by stimulating the formation of new local business and encouraging firms in the United States and foreign countries to establish and expand operations in Puerto Rico. To accomplish its mission, PRIDCO maintains a continuing infrastructure development program, including facilities for lease or sale to qualified private industrial and commercial investors, and the construction of industrial and commercial facilities for lease. In addition, PRIDCO disburses legislative appropriations in accordance with various special incentives programs to assist manufacturers in offsetting operations costs. The basic purpose underlying PRIDCO's supporting role to Puerto Rico's economic development program is the creation of jobs and the consequent improvement of living standards in Puerto Rico. In order to conduct its legislatively created authority, PRIDCO has the power, among other things, to acquire, own, sell and lease property, all for the purpose of assisting and enhancing Puerto Rico's economy.

PRIDCO does not operate any facility. PRIDCO only owns the land and constructs the buildings to be used by its tenants. As a result, PRIDCO does not generate any hazardous substances or hazardous wastes. As noted above, it is simply a passive landowner, which leases property it owns to commercial and industrial entities for economic development purposes.

PRIDCO's environmental consultant, Caribe Environmental Services, Inc. ("CES"), has evaluated the Plan, as well as reports and data available from PRIDCO and from EPA, and has visited the Site and areas in the vicinity of the Site.

Based upon CES' evaluation of the Plan, PRIDCO provides the following comments:

- **Remedial Investigation Report**

- **Section 1.3.2.2 (CCL Label Section)**

This section indicates that presently CCL Label does not have septic tanks. That information is constant with PRIDCO's original drawings of the CCL building that does not show any septic tanks in the premises and indicates a connection to PRASA. But in some documents found in the review of PRIDCO's files we found letters of past tenants making references to a septic tank in the premises. Annex 42; Annex 49, and Annex 50 of PRIDCO's RFI response.

- **Section 1.3.2.2 (Wallace Section, 6<sup>th</sup> paragraph)**

We suggest that the following sentence, "Manufacturing operations at this facility indicate that **prior tenants** may have generated spent solvents including PCE, TCE, and 1,1,1 trichloroethane (1,1,1 TCA)" be modified as follows: "Manufacturing operations at this facility indicate that **site tenants** may have generated spent solvents including PCE, TCE, and 1,1,1 trichloroethane (1,1,1 TCA)".

The reason is that in the 4<sup>th</sup> paragraph of this section, the existing Wallace process is described as washing in TCE for the removal of oil and other surface contaminants. Also in the 2006 SDI Reconnaissance of the Wallace facility by the EPA and the Puerto Rico Environmental Quality Board ("PREQB"), drums of waste TCE and oil were observed to be stored.

- **Section 4.2.2.2 (Wallace Section, 1<sup>st</sup> paragraph)**

This paragraph makes reference to sampling point WS-02 showing the highest concentrations of PCE (7,960 ug/L) and TCE (900 ug/L). However, Figure 4-1 indicates that the highest concentrations of PCE and TCE were recorded at WS-03, not at WS-02.

- **Section 5.2 (Soil Saturation Limit)**

The PCE soil saturation limit is described in this paragraph as 166 mg/Kg. However, Table 5-1 shows the soil saturation limit for PCE to be 145 mg/Kg.

- **Feasibility Study ("FS") Report**

- **Section 1.5.4 Hydrogeology (6<sup>th</sup> paragraph)**

This paragraph indicates that the hydraulic conductivity for the saprolite zone was estimated to be between 5 to 15 ft/day. It indicates that with a hydraulic gradient of 0.022 the estimated groundwater flow velocity would be between 40 to 120 ft/year. Using the effective porosity included in Table 5-1 of the RI report (0.43), our computed groundwater flow velocities are twice as much as the values shown in the report. Also, it is not clear how the groundwater flow velocity in the saprolite will increase if the hydraulic gradient is reduced to 0.011. Since we did not find in the report the raw data used in the calculations presented in this section, it was not possible to assess whether or not they are accurate. However, we suggest that the groundwater flow velocity estimated values included in the FS be checked for accuracy.

- **Section 2.2.2 Site Related ARARs and TBCs (1<sup>st</sup> paragraph)**

This paragraph makes reference to Table 2-1 and Table 2-2. However, these tables make reference to the Cidra Ground Water Contamination Site.

- **Section 2.6.2.3 Groundwater Use Restrictions**

This section indicates that groundwater use restrictions or well drilling restrictions are generally administrated by the PREQB. However, it is our understanding that these restrictions in Puerto Rico are administrated by the Department of Natural and Environmental Resources and not by the PREQB.

In summary, PRIDCO is a public corporation who leases buildings at below-market rates to companies which wish to get established in Puerto Rico. PRIDCO's purpose in doing so is to create employment opportunities to residents of Puerto Rico.

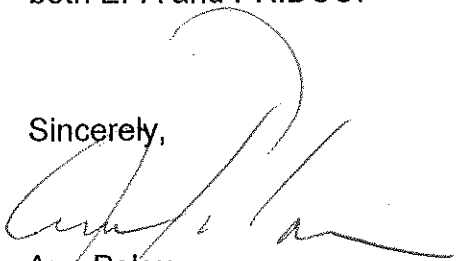
As a result, PRIDCO signs a lease agreement with each of its tenants. In the lease agreement PRIDCO establishes the tenant's obligation to comply with all EPA laws and regulations, and the tenant releases and hold PRIDCO

harmless from liability for any action arising during its occupancy of the leased property as a direct or indirect consequence of its use and/or occupation of such property.

Because of such lease provisions, after EPA's April 8, 2015 meeting, on May 13, 2015, PRIDCO sent letters to CCL and to Wallace, the tenants currently leasing the properties identified by EPA as the sources of the contamination at the Site. The purpose of the letters was to require the tenants to strictly adhere to the obligations established in their lease agreements to comply with all EPA orders and other requirements.

Finally, PRIDCO wishes to express to EPA its appreciation for having the opportunity to provide these comments to EPA. PRIDCO also wants to assure EPA that it intends to cooperate in any way it can to make certain that the matter is resolved in an environmentally safe and protective manner, a goal shared by both EPA and PRIDCO.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ana Palou', is written over a large, faint circular stamp.

Ana Palou  
Legal Counsel  
Puerto Rico Industrial Company